

Appendix A. As a result of Ameritech's actions, Ameritech is now in arrears to ICG in an amount exceeding One Million Dollars (\$1,000,000.00).

Pursuant to the provisions of the interconnection agreement between ICG and Ameritech, ICG has notified Ameritech that all payments being withheld should be deposited in an interest-bearing escrow account with a third party escrow agent; and has also requested escalation and resolution of the dispute in accordance with the procedures set forth in the agreement. Additionally, however, ICG respectfully submits that the refusal to continue payment of reciprocal compensation constitutes not only a violation of the interconnection agreement, but also a specific violation of the Commission's Orders in Case No. 95-845-TP-COI. Accordingly, ICG respectfully submits that the instant complaint should proceed on a parallel basis with the dispute resolution procedure implemented privately between ICG and Ameritech.

#### MEMORANDUM IN SUPPORT

In the Commission Investigation Relative to the Establishment of Local Exchange Competition and Other Competitive Issues, Case No. 95-845-TP-COI, Order dated June 12, 1996, the Commission held:

#### IV. COMPENSATION FOR THE TRANSPORT AND TERMINATION OF TRAFFIC

The revised guidelines set forth that all LECs have a duty to establish reciprocal compensation arrangements for the transport and termination of traffic originated by another carrier and terminated over their network facilities or over facilities leased by them through the purchase of unbundled network elements from another underlying facilities-based LEC. Notification-base LECs are not eligible for the transport and termination of traffic. All ILECs and NECs are to measure local and

toll traffic if technically and economically feasible. Carriers unable to measure traffic may use a percentage of local use (PLU) factor to bill originating carriers. Such records are subject to periodic audits for validation of traffic jurisdiction. An ILEC's local calling area, as of the date a NEC is actually operating within an individual ILEC's local calling area, shall constitute the demarcation for differentiating local and toll call types for the purpose of traffic termination compensation. Any end user call originating and terminating within the boundary of such local calling area, regardless of the LEC at the originating or terminating end, shall be treated as a local call, irrespective of subsequent changes in the ILEC's local calling area. The Commission shall specify the date upon which a NEC is deemed operational in an ILEC local calling area in effectuating this guideline. ...

It is worthy of note that in designating which calls should be treated as local calls, the Commission identified "any end user call originating and terminating within the boundary of such local calling area," and did not create any exceptions applicable to enhanced services traffic. Equally significant, the Commission's holding with respect to the identification of "local calls" was not challenged by Ameritech, and the Commission's Local Compensation Rules, as finally adopted by Entry dated February 20, 1997, provide:

IV. COMPENSATION FOR THE TRANSPORT AND TERMINATION  
OF TRAFFIC

A. Compensation Principles ...

2. Reciprocal Compensation

All LECs shall have the duty to establish reciprocal compensation arrangements for the transport and termination of traffic.

3. ...

B. ...

### C. Local and Toll Traffic Determination

As NECs establish operations within individual ILEC local calling areas, the perimeter of each such local calling area, as revised to reflect EAS, shall constitute the demarcation for differentiating local and toll call types for the purpose of traffic termination compensation. Any end user call originating and terminating within the boundary of such local calling area, regardless of the LEC at the originating or terminating end, shall be treated as a local call...

Again, no exceptions were created for enhanced services traffic.

Not only did Ameritech fail to urge the inclusion of any exception applicable to enhanced service traffic, it also failed even to suggest, at any time prior to the letter contained in Appendix A, the existence of any exception to the Commission's rules regarding the definition of local traffic. In fact, the timing of Ameritech's adoption of this unjustified position, suggests strongly that it never contemplated adopting such a position until observing the actions of other BOCs throughout the country. Several BOCs have taken a similar position with respect to mutual compensation, resulting in a large number of complaints by CLECs against those BOCs. At least eight states<sup>1</sup> have issued orders stating that the incumbent local exchange carriers must pay mutual compensation for calls made to internet service providers, and several other states are considering complaints on the same issue. It is ICG's understanding New York has issued an interim procedural order directing NYNEX to pay mutual compensation while

---

<sup>1</sup> Arizona, Connecticut, Maryland, Minnesota, Oregon, Tennessee, Virginia and Washington State.

the proceeding is being conducted. Further, ICG has found no state that has determined mutual compensation should not include compensation for enhanced service traffic.

CONCLUSION

WHEREFORE, ICG respectfully submits the Commission should find Ameritech's refusal to pay mutual compensation for enhanced service traffic is in direct violation of the Commission's Rules and prior Orders; and should direct Ameritech to include such traffic in its reciprocal compensation payments forthwith and restore to ICG all payments previously held in the escrow account.

Respectfully submitted,



---

Boyd B. Ferris  
MULDOON & FERRIS  
2733 W. Dublin-Granville Road  
Columbus, OH 43235-2798  
(614)889-4777

ATTORNEY FOR ICG TELECOM  
GROUP, INC.

CERTIFICATE OF SERVICE

The undersigned hereby certifies that a true and accurate copy of the foregoing Complaint has been served this 25th day of November, 1997 via first class United States mail, postage prepaid, upon the following parties:

Jon F. Kelly  
Ameritech  
150 E. Gay Street, Ste. 4C  
Columbus, OH 43215

  
\_\_\_\_\_  
Boyd B. Ferris



Page 3  
Chicago, IL 60654

APPENDIX A

October 28, 1997

Mr. Ken Schwartz  
Manager-Revenue Control  
ICG Telecom Group, Inc.  
9605 E. Maroon Circle  
Suite 100  
Englewood, CO 80112

Dear Mr. Schwartz:

It has come to our attention that ICG Access Services, Inc. (ICG) has been billing Ameritech for Reciprocal Compensation for non-Local Traffic in error in Ohio. Although Ameritech is not yet able to identify the total amount of such non-Local Traffic, Ameritech believes that ICG has been terminating traffic destined for Internet Service Providers and has been incorrectly billing Ameritech Reciprocal Compensation for this traffic.

As such, we feel it important to remind you of the billing terms regarding Reciprocal Compensation as stated in the Interconnection Agreement between our respective companies. According to Section 5.7 of the Interconnection Agreements, Reciprocal Compensation *only applies* to Local Traffic terminated on the terminating party's network. In addition, Section 5.7.3 specifically provides that Reciprocal Compensation arrangements in the Interconnection Agreement *do not apply* to Exchange Access Service. Traffic destined for Internet Service Providers is Exchange Access Traffic and therefore under our Interconnection Agreement, Reciprocal Compensation does not apply to this type of traffic. Instead, this traffic would be subject to the Meet-Point Billing Arrangements referred in Section 6.3 of the Interconnection Agreements had the FCC not exempted such traffic from access charges.

In order to rectify any Reciprocal Compensation billing discrepancies, it is imperative that we immediately discuss a process for identifying all non-Local Traffic for which either company has incorrectly paid Reciprocal Compensation to the other company. Once the amount of incorrect payments is identified, Ameritech expects that each party will reimburse or credit the other party for any incorrectly paid Reciprocal Compensation.

Mr. Ken Schwartz  
October 28, 1997  
Page Two

Ameritech estimates that approximately 95.52% of ICG's Reciprocal Compensation for Ohio's billings incorrectly include traffic destined for Internet Service Providers. On a going-forward basis, Ameritech will not pay that percentage of ICG's bills for Reciprocal Compensation in Ohio. Of course, this would be subject to further adjustments once Ameritech is able to determine the actual amounts that have been incorrectly billed. Similarly, Ameritech will show an interim credit of a determined percentage on Ameritech's Reciprocal Compensation billings to ICG to reflect any amounts that Ameritech may have incorrectly billed to ICG. Pursuant to Section 28.10 of our Interconnection Agreements, Ameritech is willing to discuss appropriate resolution of any disputed amounts including entering into an appropriate escrow agreement, upon mutually-agreeable terms and conditions under which both Parties would pay these disputed amounts into an escrow account pending a determination of the specific amounts that have been paid in error by either Party.

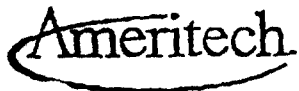
We hope that this clarifies the billing procedures for Reciprocal Compensation. If you have any questions about this matter, please call Quentin Patterson at 312-335-6719 or Sue Springsteen, at 248-424-0758.

Sincerely,

*Thomas J. Lamb*

Thomas J. Lamb *cl*  
Vice President, Finance

*Forwarded copy to: Sue Williams*  
cc: Don Teague, Vice President-General Counsel ICG Telecom Group, Inc.  
Cindy Z. Schonhaut, Government Affairs, ICG Telecom Group, Inc.  
Mr. John Humphries, Vice President-General Manager



Room A-106  
Southfield, MI 48075  
Office: 248/424-0753  
Fax: 248/424-1073

Suzanne J. Springsteen  
Director

November 4, 1997

ICG Access Services, Inc.  
9605 E. Maroon Circle  
Suite 100  
Englewood, CO 80112  
Attn: Vice President and General Counsel

This notice is hereby given pursuant to Section 28.10 of the Interconnection Agreement between Ameritech Ohio and ICG Access Services, Inc. that Ameritech disputes the Interconnection Services Invoice No 716393219710 received from ICG Access Services per the Interconnection Agreement for the following reason:

1. The usage billed by ICG includes traffic destined for Internet Service Providers (\$367,529.11 disputed).

Due to this reason, Ameritech disputes \$367,529.11 for Invoice Number 716393219710. As requested in Ameritech's October 28, 1997 correspondence to Mr. Ken Schwartz of your Company, Ameritech would like to know what process ICG has identified to rectify this situation. Will ICG credit or reimburse Ameritech for any incorrectly paid Reciprocal Compensation?

Thank you for your prompt attention in this matter.

A handwritten signature in cursive script, reading "Suzanne J. Springsteen".

Suzanne J. Springsteen  
Ameritech  
Director, Interconnection



---

cc: ICG Access Services, Inc.  
9605 E. Maroon Circle  
Suite 100  
Englewood, CO 80112  
Attn: Government Affairs Department

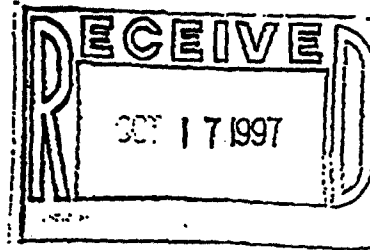
Ameritech Information Industry Services  
350 N. Orleans, Floor 3  
Chicago, IL 60654  
Attn: Vice President - Network Providers

Ameritech Information Industry Services  
350 N. Orleans, Floor 5  
Chicago, IL 60654  
Attn: Vice President and General Counsel

23500 Northwestern Hwy.  
Room A-106  
Southfield, MI 48075  
Office: 248/424-0758  
Fax: 248/424-1073

Suzanne J. Springsteen  
Director

Ameritech.



October 16, 1997

ICG Access Services, Inc.  
9605 E. Maroon Circle  
Suite 100  
Englewood, CO 80112  
Attn: Vice President and General Counsel

This notice is hereby given pursuant to Section 28.10 of the Interconnection Agreement between Ameritech Ohio and ICG Access Services, Inc. that Ameritech disputes the Interconnection Services Invoice No 716393219707 received from ICG Access Services per the Interconnection Agreement for the following reason:

Ameritech is only able to verify 32,816,509 MOU originated by Ameritech versus the 35,742,841 MOU billed by ICG.

Ameritech request that ICG verify that ICG is billing Ameritech for traffic originated by Ameritech, recording and billing conversation time (not access time), and is not billing Ameritech for traffic destined to an Internet Service Provider.

Also, the dispute letter dated October 10, 1997 identified the MOU inaccurately, the statement should have read:

Ameritech is only able to verify 40,329,065 MOU originated by Ameritech versus the 49,640,329 MOU billed by ICG.

Please do not hesitate to call me on 248-424-0758 if you have any questions. Thank you for your prompt attention is this matter.

*Suzanne J. Springsteen*

Suzanne J. Springsteen  
Ameritech  
Director, Interconnection

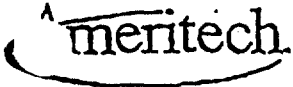
cc: ICG Access Services, Inc.  
9605 E. Maroon Circle  
Suite 100  
Englewood, CO 80112  
Attn: Government Affairs Department

Ameritech Information Industry Services  
350 N. Orleans, Floor 3  
Chicago, IL 60654  
Attn: Vice President - Network Providers

Ameritech Information Industry Services  
350 N. Orleans, Floor 3  
Chicago, IL 60654  
Attn: Vice President and General Counsel

Ameritech Information Industry Services  
23500 Northwestern Hwy.  
Room A-106  
Southfield, MI 48075  
Office: 248/424-0758  
Fax: 248/424-1073

Suzanne J. Springsteen  
Director

meritech

August 14, 1997

*cc: Cindy Schonkaut  
Bill Riek*

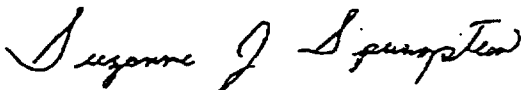
ICG Access Services, Inc.  
9605 E. Maroon Circle  
Suite 100  
Englewood, CO 80112  
Attn: Vice President and General Counsel

This notice is hereby given pursuant to Section 28.10 of the Interconnection Agreement between Ameritech Ohio and ICG Access Services, Inc. that Ameritech disputes the Interconnection Services Invoice No 716393219707 received from ICG Access Services per the Interconnection Agreement for the following reason:

Ameritech is only able to verify 27,490,461 MOU originated by Ameritech versus the 27,872,013 MOU billed by ICG.

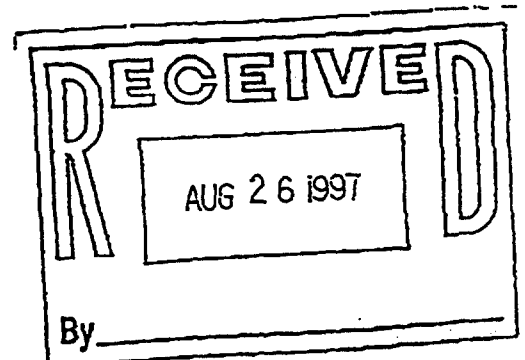
Ameritech request that ICG verify that ICG is billing Ameritech for traffic originated by Ameritech, recording and billing conversation time (not access time), and is not billing Ameritech for traffic destined to an Internet Service Provider.

Please do not hesitate to call me on 248-424-0758 if you have any questions. Thank you for your prompt attention is this matter.



Suzanne J. Springsteen  
Ameritech  
Director, Interconnection

cc: ICG Access Services, Inc.  
9605 E. Maroon Circle  
Suite 100  
Englewood, CO 80112  
Attn: Government Affairs Department



# **Reciprocal Compensation**

## **Ameritech's Refusal to pay Negotiated Reciprocal Compensation**

**Pre-Filed testimony of Cindy Schonhaut, Senior Vice President of ICG Government and External Affairs.**

MULDOON & FERRIS  
ATTORNEYS AT LAW  
2733 WEST DUBLIN - GRANVILLE ROAD  
COLUMBUS, OHIO 43235-2798

BOYD B. FERRIS  
DAVID A. FERRIS

OF COUNSEL  
JAMES W. MULDOON

(614) 889-4777  
FAX (614) 889-6515  
E-Mail: lawyer@on-ramp.net

February 10, 1998

Mrs. Daisy Crockron  
Chief, Docketing Section  
Public Utilities Commission of Ohio  
180 East Broad Street  
Columbus, OH 43266-0573

RECEIVED-DOCKETING DIV  
98 FEB 10 PM 4:41  
PUCO

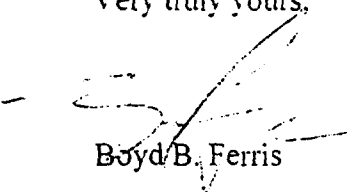
Re: In the Matter of the Complaint of ICG Telecom Group, Inc.  
Against Ameritech Ohio Regarding the Payment of  
Reciprocal Compensation  
Case No. 97-1557-TP-CSS

Dear Mrs. Crockron:

I am enclosing herewith for filing the original and ten (10) copies of the Testimony of Cindy Z. Schonhaut on behalf of ICG Telecom Group, Inc., in the above styled proceeding. Please accept the same for filing.

A copy of the filed Testimony of Cindy Z. Schonhaut along with this cover letter is being served upon the parties of record in this case.

Very truly yours,

  
Boyd B. Ferris

BBF:prj  
Enclosures

cc: ICG Telecom Group, Inc. ✓  
Parties of Record

**BEFORE THE  
PUBLIC UTILITIES COMMISSION OF OHIO**

IN THE MATTER OF )  
THE COMPLAINT OF ICG TELECOM )  
GROUP, INC. AGAINST AMERITECH )  
OHIO REGARDING THE PAYMENT )  
OF RECIPROCAL COMPENSATION )

Case No. 97-1557-TP-CSS

---

**TESTIMONY OF  
CINDY Z. SCHONHAUT  
ON BEHALF OF  
ICG TELECOM GROUP, INC.**

---

February 10, 1998

RECEIVED-BOOKING DIV.  
93 FEB 10 PM 4:41  
PUCO

**BOYD B. FERRIS  
MULDOON & FERRIS  
2733 W. DUBLIN-GRANVILLE ROAD  
COLUMBUS, OH 43235-2798  
(614) 889-4777  
(614) 889-6515 FAX**

**ATTORNEYS FOR ICG TELECOM  
GROUP, INC.**

**DIRECT TESTIMONY OF  
CINDY Z. SCHONHAUT  
ON BEHALF OF  
ICG TELECOM GROUP, INC.**

1       **Q.     PLEASE STATE YOUR NAME AND BUSINESS ADDRESS.**

2       A.     My name is Cindy Z. Schonhaut. My business address is ICG Communications,  
3             Inc., P. O. Box 6742, Englewood, Colorado 80155-6742.

4       **Q.     BY WHOM ARE YOU EMPLOYED AND WHAT ARE YOUR**  
5             **RESPONSIBILITIES?**

6       A.     I am employed by ICG Communications, Inc., as Senior Vice President of  
7             Government and External Affairs. I am responsible for ICG's policy positions  
8             on legislative, regulatory and public policy matters before local, state and  
9             national agencies. My focus, in particular, is on ICG's implementation of the  
10            Telecommunications Act of 1996 and parallel state laws. ICG Communications,  
11            Inc. is the parent company of ICG Telecom Group, Inc.

12       **Q.     PLEASE SUMMARIZE YOUR EDUCATIONAL BACKGROUND AND**  
13             **PROFESSIONAL EXPERIENCE.**

14       A.     I am an honor graduate of the University of Miami, School of Law. I received  
15             an undergraduate degree in social work from Syracuse University. I joined ICG  
16             as Vice President of the newly created Government Affairs Department in  
17             February 1995. Previously, at MFS Communications Company, Inc. in  
18             Washington, D.C., I served more than four years as vice president of government



1           affairs. In that role, I represented MFS before federal and state legislatures and  
2           regulatory agencies.

3           Prior to MFS, I spent 11 years as an attorney with the Federal  
4           Communications Commission ("FCC"). I served as legal advisor at the FCC for  
5           Commissioner Andrew C. Barrett, the Common Carrier Bureau and the Mass  
6           Media Bureau. I was a member of the task force that implemented the original  
7           access tariffs and divestiture of the old Bell system and later was special counsel  
8           for joint board matters in the Common Carrier Bureau. I also was a member of  
9           the Communications Staff Subcommittee of the National Association of  
10          Regulatory Utility Commissioners and acted as the FCC's liaison to all state  
11          regulatory agencies.

12       **Q.    PLEASE DESCRIBE THE OPERATIONS OF ICG TELECOM GROUP.**

13       **A.    ICG Telecom Group, Inc. ("ICG") is a new exchange carrier (NEC) authorized**  
14               to conduct operations in Ohio and in eight other states. ICG currently operates  
15               competitive local exchange networks in eight metropolitan markets and in every  
16               major metropolitan area in California.

17       **PURPOSE AND SCOPE**

18       **Q.    WHAT IS THE PURPOSE OF YOUR TESTIMONY IN THIS CASE?**

19       **A.    As stated in ICG's complaint, ICG's position is that its complaint against**  
20               Ameritech Ohio ("Ameritech") is based primarily on legal grounds and can be  
21               decided as such. My testimony is not intended to make legal arguments, but to

1 review those limited factual matters relevant to the complaint most of which are  
2 undisputed. In particular, my testimony will review: (1) the services employed  
3 by Internet Service Providers ("ISPs") to connect to the public switched  
4 telephone network ("PSTN"); (2) industry practices regarding call termination;  
5 (3) certain provisions contained in the Interconnection Agreement between ICG  
6 and Ameritech; (4) the Ameritech actions that led ICG to bring this complaint  
7 action; and (5) the conclusions of other regulatory bodies in regard to the issue  
8 of ISP traffic. Finally, I offer my opinion as to the negative impacts on local  
9 exchange competition that will occur if Ameritech is allowed to persist in its  
10 actions that led ICG to file its complaint.

11

12 **ISP CONNECTIONS TO THE PSTN**

13 **Q. WHAT IS AN ISP?**

14 **A.** An ISP, or Internet Service Provider, is typically a commercial or non-profit  
15 entity that provides its customers the ability to reach the Internet or other on-line  
16 information services.

17 **Q. HOW DO ON-LINE SERVICE USERS TYPICALLY CONNECT TO THE**  
18 **ISP IN ORDER TO OBTAIN INFORMATION SERVICES PROVIDED**  
19 **BY THE ISP?**

20 **A.** The most widespread method by which an on-line service user connects to its ISP  
21 is via the public switched telephone network ("PSTN"), by dialing a local

1 telephone number corresponding to a telephone exchange service which the ISP  
2 has purchased from a local exchange carrier ("LEC") operating in the on-line  
3 service user's local calling area. Generally speaking, this is the means by which  
4 all but very large institutional on-line service users typically connect to an ISP.  
5 It is the traffic corresponding to this means of connection for which Ameritech  
6 has withheld reciprocal compensation payments.

7 **Q. DO AMERITECH AND ICG HAVE ISP CUSTOMERS?**

8 **A.** Both have such customers.

9 **Q. WHAT SPECIFIC "TELEPHONE EXCHANGE SERVICES" DO ISPs**  
10 **PURCHASE FROM LECs IN ORDER TO ALLOW SUCH DIAL-UP**  
11 **CONNECTIONS TO ON-LINE SERVICE USERS VIA THE PUBLIC**  
12 **SWITCHED NETWORK?**

13 **A.** ISPs purchase standard business local exchange services, typically PBX trunks  
14 at a digital DS1 level or ISDN services.

15 **Q. ARE THE LOCAL SERVICES ISPs OBTAIN FROM LECs ANY**  
16 **DIFFERENT FROM THE SERVICES THE LECs OFFER TO OTHER**  
17 **BUSINESS CUSTOMERS?**

18 **A.** No, they are the same.

19 **Q. UNDER WHAT TARIFF DO ISPs SERVED BY ICG OBTAIN SERVICE?**

20 **A.** ICG's local exchange tariff.

1 Q. UNDER WHAT TARIFF DO ISPs SERVED BY AMERITECH OBTAIN  
2 SERVICE FROM AMERITECH?

3 A. Ameritech's local exchange tariff.

4 Q. IS THAT THE SAME TARIFF FROM WHICH OTHER BUSINESSES  
5 OBTAIN LOCAL EXCHANGE SERVICE FROM AMERITECH?

6 A. Yes.

7 Q. IS THAT THE CASE WITH ICG AS WELL?

8 A. Yes.

9 Q. HOW DOES AMERITECH TREAT CALLS TO ISPs FROM A  
10 REGULATORY PERSPECTIVE?

11 A. Like all other incumbent local exchange carriers, Ameritech treats calls to ISPs  
12 as local calls for all purposes.

13 Q. HOW DOES AMERITECH RATE AND BILL A CALL FROM AN  
14 AMERITECH LOCAL EXCHANGE END USER TO AN ISP SERVED BY  
15 AMERITECH IN THE SAME LOCAL EXCHANGE AREA?

16 A. When an Ameritech telephone exchange service customer places a call to an ISP  
17 within the caller's local calling area, Ameritech rates and bills such customer for  
18 a local call pursuant to the terms of Ameritech's local tariff.

19 Q. WHAT RATES DOES AMERITECH CHARGE TO ISPs THAT IT  
20 SERVES?

1       A.     Ameritech sells services to ISPs out of Ameritech's local exchange tariff,  
2             pursuant to those rates, terms and conditions.

3       Q.     HOW DOES AMERITECH TREAT THIS TRAFFIC FOR  
4             SEPARATIONS AND REPORTING PURPOSES?

5       A.     In its required filings with the FCC, Ameritech treats the calls originating on  
6             Ameritech's network and terminating at an ISP within the originating caller's  
7             local calling area, whether the ISP is on Ameritech's or on a CLEC's network,  
8             as a local call for the purposes of jurisdictional separations and ARMIS reports.  
9             Ameritech treats the revenues associated with the calls as local for the purposes  
10            of separations and ARMIS reporting.

11      Q.     ARE THERE ANY REGULATIONS OR TARIFFS APPLICABLE TO  
12             AMERITECH THAT PROVIDE FOR THE SERVICES BEING  
13             TREATED AS ANYTHING BUT LOCAL?

14      A.     No.

15

16       INDUSTRY PRACTICE WITH RESPECT TO CALL TERMINATION

17      Q.     DESCRIBE CALL ORIGINATION AND CALL TERMINATION  
18             WITHIN THE PSTN?

19      A.     In general industry terminology, call origination within the PSTN occurs when  
20             a caller dials, or causes to be dialed, a working PSTN telephone number. Call  
21             termination within the PSTN occurs when a connection is established between

1           the caller and the telephone exchange service to which the dialed telephone  
2           number is assigned, and answer supervision is returned.

3       **Q.   DOES "CALL TERMINATION" IN THIS CONTEXT MEAN THE CALL**  
4       **ENDS?**

5       **A.**   No. It merely means that the call has been received by the telephone exchange  
6           service to which the call was addressed (by means of the called telephone  
7           number), that a call record has been generated and answer supervision has been  
8           returned. The call ends when one party to the call disconnects by hanging up.

9       **Q.   DOES THIS CHANGE IF, DURING THE PERIOD IN WHICH THE**  
10       **CONNECTION BETWEEN CALLING PARTY AND THE CALLED**  
11       **PARTY IS MAINTAINED, ONE OF THE PARTIES IS INVOLVED IN**  
12       **SOME OTHER INTERACTION WITH A THIRD PARTY?**

13       **A.**   Of course not. The subsequent interaction is entirely separate and does not,  
14           indeed cannot, alter the fact that the call in question is defined by the connection  
15           between the calling party and the telephone exchange service to which the called  
16           number is assigned. For example, while speaking on the telephone I frequently  
17           converse with a third person standing in the room with me. Frequently I may  
18           relay messages between the person in the room and the person on the telephone.  
19           This action on my part doesn't alter the fact that the call terminated at the called  
20           telephone number.

1       **Q.    WHAT IF THE SECOND INTERACTION INVOLVES AN**  
2       **ELECTRONIC MEDIA OF SOME SORT?**

3       **A.**    It makes no difference. Take for example a teenager who has two telephone  
4       lines. One line is connected to the teen's computer and one line is connected to  
5       the teen's telephone. While talking on the telephone with one friend, the teen  
6       could be simultaneously conversing in real-time via a computer bulletin board  
7       with a second friend. In fact, the teen could be typing and speaking messages  
8       between the two friends exclusively. The existence of the interaction via the  
9       bulletin board does not in anyway impact the status of the telephone call. They  
10      remain two separate transactions, even though the party at the opposite end of the  
11      bulletin board and the party at the opposite end of the telephone line may in fact  
12      be exchanging information. The telephone call is terminated at the called  
13      telephone number.

14      **Q.    WHAT IF NO HUMAN INTERACTION IS INVOLVED IN INITIATING**  
15      **THE SECOND INTERACTION VIA SOME ELECTRONIC MEDIA?**

16      **A.**    It still makes no difference. For instance, many businesses employ PBXs which  
17      allow for the automatic initiation of multiple interactions. But this does not alter  
18      the fact that to the extent any of those interactions are PSTN calls, those calls are  
19      defined solely by the dialed telephone numbers. For example, when someone is  
20      utilizing a telephone system which allows conference calling, that individual may  
21      receive a call from someone across the street and then may conference in a

1           second person several states away. At that point, there are two separate calls --  
2           a local call from the individual across the street to the first individual and a long  
3           distance call when the third person is conferenced in. All three individuals will  
4           be able to speak directly to each other. The conferencing in of the individual  
5           several states away does not change the fact that the first telephone call was a  
6           local call. Similarly, a telephone system may allow an individual to program  
7           their telephone to forward their calls to another location. In such a situation,  
8           when a call initially comes in to the telephone number, the PBX automatically  
9           dials and initiates a second call to whatever number for which it has been  
10          programmed, thereby forwarding the first call. However, the initiation of the  
11          second call doesn't change the fact that the original caller placed a local call  
12          which was terminated at the individual's PBX. You don't necessarily need a  
13          PBX to do these things; some two-line telephones priced at less than \$100  
14          provide the same functions. In addition, Remote Call Forwarding may be  
15          purchased as a service from a LEC, and the original call and the forwarded call  
16          each generate separate billing information.

17       **Q.    SO, WHEN DOES A CALL TO AN ISP TERMINATE?**

18       **A.**This situation is no different than any other call. When the call reaches the  
19               telephone exchange service purchased by the ISP, and to which the called  
20               telephone number is assigned, the call is terminated. This fact is not altered by



1 the possibility that the ISP may establish some subsequent interaction(s) in which  
2 the caller may directly or indirectly participate.

3 Q. ACCEPTING THAT CALLS DO TERMINATE AS DESCRIBED ABOVE,  
4 WHAT MAKES A SPECIFIC CALL A "LOCAL" CALL?

5 A. Simply, if the called telephone number is assigned to a telephone exchange  
6 service associated with a rate center within the local calling area of the telephone  
7 number assigned to the telephone exchange service from which the call was  
8 dialed, then the call is considered "local" in all cases. The local calling area  
9 refers to the geographic area in which an end user may originate and terminate  
10 a call without incurring a toll charge. This fact is discussed in greater detail in  
11 the following sections.

12 **ICG-AMERITECH INTERCONNECTION AGREEMENT**

13 Q. IN CONNECTION WITH YOUR RESPONSIBILITIES, DID YOU  
14 NEGOTIATE AN INTERCONNECTION AGREEMENT WITH  
15 AMERITECH?

16 A. Yes.

17 Q. UNDER THE INTERCONNECTION AGREEMENT, IS LOCAL  
18 TRAFFIC ROUTED IN ANY PARTICULAR WAY BETWEEN  
19 AMERITECH AND ICG?

20 A. Yes. Local traffic is routed over "Local/IntraLATA Trunks" established between  
21 ICG and Ameritech pursuant to Sections 4.0 and 5.0 of the Agreement.